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Alison Lundergan Grimes  
Kentucky Secretary of State  
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## **ARTICLE I NAME; PRINCIPAL OFFICE**

The name of this Corporation is Redbud Financial Alternatives, Inc. The mailing address of the Corporation's principal office is 2871 North Main Street, PO Box 7284, Hazard, Kentucky 41702.

## **ARTICLE II PERIOD OF EXISTENCE**

The period of existence of the Corporation is perpetual.

## **ARTICLE III PURPOSE**

This corporation is a nonprofit public benefit corporation and is organized and shall be operated exclusively for charitable and educational purposes as contemplated and permitted by Section 501(c)(3) of the Internal Revenue Code (the "Code"). All references in these Articles of Incorporation to a particular section of the Code shall include corresponding provisions of any future federal tax law. It is organized under the Commonwealth of Kentucky Nonprofit Corporation Act. This Corporation is organized to establish a community development financial institution to foster, facilitate and promote community and economic development among underserved and economically distressed communities. All funds shall be devoted to said purposes.

## **ARTICLE IV MEMBERSHIP**

This Corporation shall have no members.

- it, by impressing or annexing or in any other manner reproducing it,
- B. to make and amend by-laws not inconsistent with its articles of incorporation or with the laws of the Commonwealth of Kentucky for regulating and managing the affairs of the Corporation;
  - C. to sue and be sued, complain and defend in its corporate name;
  - D. to take, purchase, receive, lease or otherwise acquire, and own, hold, improve, use and otherwise deal in and with, real or personal property or any legal or equitable interest in property, wherever located;
  - E. to sell, convey, mortgage, pledge, lease, exchange, transfer and otherwise dispose of all or any part of its property and assets;
  - F. to purchase, receive, subscribe for or otherwise acquire, own, hold, vote, use, sell, mortgage, lend, pledge, or otherwise dispose of, and deal in and with, shares or other interest in, or obligations of any entity;
  - G. to make contracts and guaranties, incur liabilities, borrow money, issue notes, bonds and other obligations, and secure any of its obligations by mortgage or pledge of any of its property, franchises or income;
  - H. to lend money, invest and reinvest its funds and receive and hold real and personal property as security for repayment;
  - I. to be a promoter, partner, member, associate or manager of any partnership, joint venture, trust or other entity;
  - J. to conduct its activities, locate offices and exercise its powers within the Commonwealth of Kentucky or in any worldwide location;
  - K. to nominate directors and appoint or elect, officers, employees, and agents of the Corporation, define their duties and fix their compensation;
  - L. to make donations not inconsistent with law for the public welfare or for charitable, religious, scientific, or educational purposes and for other purposes that further the corporate interest;
  - M. to carry on not-for-profit or for-profit businesses that further the purposes of the Corporation;
  - N. to indemnify any director or officer or former director or officer of the corporation against liability and expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for misconduct in the performance of duty; and
  - O. to do all things necessary or convenient, not inconsistent with law, to further the activities and affairs of the Corporation.

2. No part of the net earnings of the Corporation shall inure to any member of the Board of Directors not qualifying as exempt under Section 501(c)(3) of the Internal Revenue Code, including any future amendments thereto, nor to any director or officer of the Corporation, nor to any other private persons, excepting solely such reasonable compensation that the Corporation shall pay for services actually rendered to the Corporation, or allowed by the Corporation as a reasonable allowance for authorized expenditures incurred on behalf of the Corporation.
3. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.
4. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.
5. The Corporation shall not guarantee to any person the payment of a loan by any officer or director of this Corporation.
6. The Corporation shall not lend any of its assets to any officer or director of this Corporation unless:
  - a. such loan program is regularly conducted as part of the activities of the organization,
  - b. the officer or director submitting an application to the loan program does not participate in any way in the review or decision making process regarding his or her own loan application,
  - c. the officer or director submitting an application to the loan program does not have any influence in the outcome of the loan decision that will be made by the Corporation regarding his or her application, and
  - d. the qualifications for the officer or director submitting an application to the loan program are the same qualifications required for individuals who are not members of the Corporation's Board of Directors.

The Corporation shall indemnify its directors, officers, employees, and agents, including persons formerly occupying such positions, and the heirs, executors, and administrators of such persons, against all expenses, judgments, fines, settlements and another amounts actually and reasonably incurred by them in connection with any action, suit, or proceeding relating to the Corporation, including an action by or in the right of the Corporation.

## **ARTICLE VIII BOARD OF DIRECTORS**

All corporate power shall be exercised through the Board of Directors, which will serve as the governing body for the Corporation. The number, qualifications, terms of office, method of selection or election, powers, authority and duties of the directors of this Corporation, the time and place of their meetings, and such other provisions with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified in or prescribed pursuant to the Bylaws of the Corporation.

## **ARTICLE IX INITIAL BOARD OF DIRECTORS**

The initial Board of Directors who shall serve until their term expires or otherwise ends pursuant to the Bylaws of the Corporation, are:

<u>Betsy Clemons</u>	<u>Grand Oak Lane, Hazard, KY 41701</u>
Name	Address
<u>Ellen Peach</u>	<u>125 Woodland Ave, Hazard, KY 41701</u>
Name	Address
<u>Ft. Michael Chowning</u>	<u>329 Poplar Street, Hazard, KY 41701</u>
Name	Address
<u>Annie Williams</u>	<u>PO Box 2383, Hazard, KY 41702</u>
Name	Address
<u>Russell Oliver</u>	<u>100 Campbell St., Apt. 504, Hazard, KY 41701</u>
Name	Address

And the name of the registered agent at such address is Russell Scott McReynolds.

## **ARTICLE XI DISSOLUTION**

The property of this Corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of the organization shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, including any future amendments thereto.

## **ARTICLE XII AMENDMENT OF ARTICLES**

Amendments to these Articles of Incorporation shall be adopted in accordance with the procedures specified in, or prescribed pursuant to, the Bylaws of the Corporation. Amendments approved in accordance with the procedures specified in, or prescribed pursuant to, the Bylaws of the Corporation shall be filed with the Commonwealth of Kentucky according to any applicable law then in effect.

## **ARTICLE XIII INCORPORATOR**

The incorporator of this non-profit corporation is:

Housing Development Alliance, Inc.  
2871 North Main Street  
P.O. Box 7284  
Hazard, Kentucky 41702

By: Betsy Clemens

Name: Betsy Clemens

Its: Chair

IN WITNESS WHEREOF, we have hereunto set our hand this 30 day of Oct., 2014.

Russell Oliver  
Director

Russell Oliver  
Print Name

Ellen H. Peach  
Director

Ellen H. Peach  
Print Name

AWilliams  
Director

ANNIE WILLIAMS  
Print Name

Fr. Michael Chowning OFM  
Director

FR. MICHAEL CHOWNING, O.F.M.  
Print Name

Betsy Clemens  
Director

Betsy Clemens  
Print Name